



MONTGOMERY COUNTY COUNCIL
ROCKVILLE, MARYLAND

VALERIE ERVIN
COUNCILMEMBER
DISTRICT 5

Memorandum

April 18, 2013

To: Nancy Floreen, Chair, Planning, Housing & Economic Development Committee

From: Valerie Ervin, Councilmember – District 5

Re: Council FY14 Funding for Silver Spring Transit Center Impact Assistance

I am writing today to propose that the County Council consider allocating funding for impact assistance for businesses in close proximity to the Silver Spring Transit Center in the Fiscal Year 2014 Operating Budget.

The entire County Council has expressed serious concerns about the ongoing impact of the continuing delays and cost overruns with the Silver Spring Transit Center. Montgomery County residents, especially those who live in and around Silver Spring, have been enduring the public transportation obstacles associated with the Transit Center for far too long. Residents, who are understandably fed up with the difficulties accessing the Metro in Silver Spring, are going to other stations, which not only inconveniences our residents, but also negatively affects the bottom line for businesses in and around Silver Spring and hampers economic development.

The County has taken initial action to address the negative issues associated with the delay and future period of remediation. Recently, a portion of the Metropolitan Branch Trail was opened to allow additional access for pedestrians. I believe the Council should also take action to mitigate the negative impact of the Transit Center's delay on businesses in the area.

The Montgomery County Department of Economic Development's Economic Development Fund (EDF) includes an Impact Assistance Program. This program, established in FY05 through Council appropriation language, provides grants to businesses that are adversely affected by County-initiated development, redevelopment, or renovation projects. Through FY12, the Council has appropriated \$650,000 for the Impact Assistance Program (IAP). Although the IAP has not received appropriations of any new dollars since FY09, it has provided \$478,000 in cumulative assistance.

I would like to request that the Planning, Housing & Economic Development (PHED) Committee add \$100,000 to the FY14 reconciliation list for an Impact Assistance Program under the EDF. I have spoken with the President/CEO of the Greater Silver Spring Chamber of Commerce who fully supports this allocation and confirms that this would make a difference for several businesses in the area.

As you know, the Council unanimously enacted a Small Business Assistance Program through Bill 6-12, which is a similar, but not identical program, within the EDF last April. The Department of Economic Development plans to discontinue the IAP once the regulations to implement the new Small Business Assistance Program are adopted. Ultimately, the vehicle for providing assistance matters less than ensuring that the continued revitalization of Silver Spring is supported. I hope that the PHED Committee will support a motion to add some type of assistance funding to the FY14 reconciliation list.

Thank you for your consideration. If you have any questions regarding this request, please contact my office at 240-777-7960.

c: Councilmembers
Jacob Sesker, Council Staff